

17

FIG. 2

3/24

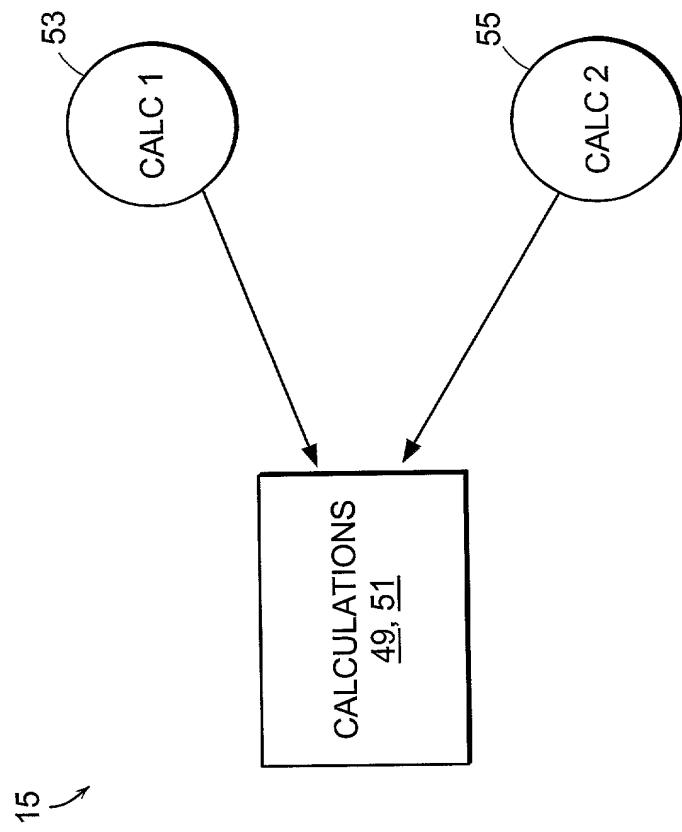
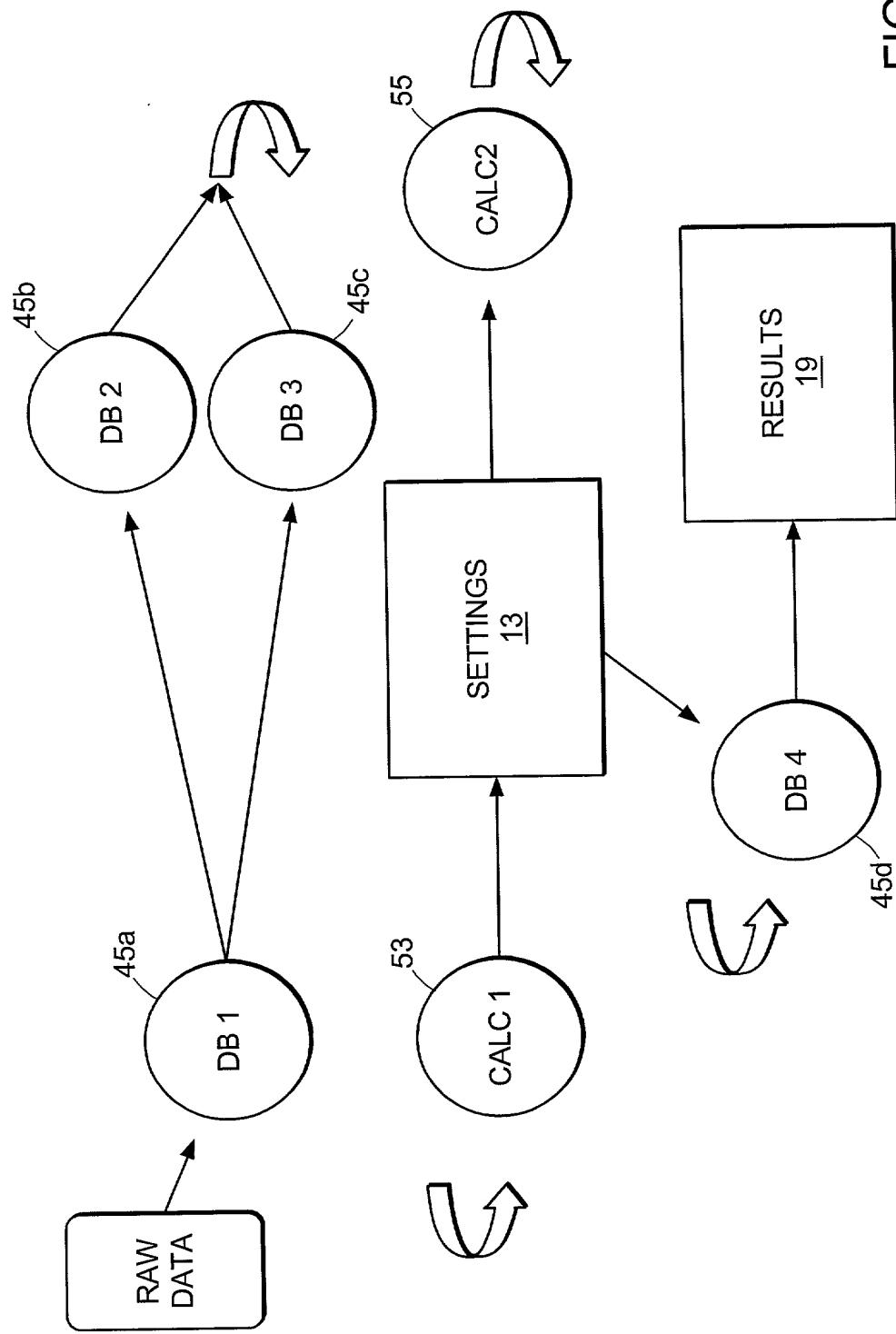


FIG. 3

4/24

FIG. 4



5/24

Intervals	1. Reenerg.	2. Adj.	3. Trans.	Interval	Interval	Type	Threshold
I. Prediction							
ABS DIFF 12.7735%	27						
CORREL 0.6388							
A. Key Business Parameters							
1. Mkt Share/Revenue Ratio	Low	Medium	High	Medium	Low	Percentile	
2. Asset Intensity (Asset/Rev Ratio)	High	Medium	Low	High	Low	Percentile	
3. Change in Profitability	Zero	Incr.	Decl.	Medium	Medium	Percentile	
B. Funding Strategy / Risk							
1. Company Beta	Low	Medium	High	Medium	Low	Percentile	
2. Debt/Equity Ratio	High	High	Medium	High	Medium	Percentile	
3. Creditworthiness	Low	High	High	High	Medium	Percentile	
4. Cash Flow/Revenue Ratio	Low	High	Medium	Medium	Medium	Percentile	
C. Market							
1. Relative Market Share	Medium	High	Low	High	Low	Percentile	
2. Change in Market Share	Zero	Incr.	Decl.	Zero	Low	Percentile	
3. Relative Elasticity of Demand	High	Medium	Low	Medium	Low	Percentile	
II. Actual							
A. Business Structure							
1. Business Mix	Low	High	High	High	Low	Percentile	
2. Business Age	High	Low	High	High	N/A	Fixed	
3. Number of Divisions	Low	Low	High	High	N/A	Percentile	
4. Number of SIC Industries	Low	Low	High	High	N/A	Percentile	
B. Business Strategy							
1. R&D Investment	Low	Low	High	High	N/A	Percentile	
2. Acquisition Strategy	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Strategic Intent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
List of Arguments For This Table							
	Low	Medium	High	Medium	High	Percentile	
	Decl.	Zero	Incr.	Zero	Incr.	Fixed	
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

FIG. 5A

6/24

33	A	B	C	D	E	F	G	H	I
1	Conversion		Do Not Change						
2	1. Reenerg.		2. Adj. Interval		3. Trans. Interval		Threshold Type		
3									
4									
5									
6									
7	I. Prediction								
8	A. Key Business Parameters								
9	1. Mkt Share/Revenue Ratio		1					1	1
10	2. Asset Intensity (Asset/Rev Ratio)		3					1	1
11	3. Change in Profitability		2					1	1
12	B. Funding Strategy / Risk							3	1
13	1. Company Beta		1					1	1
14	2. Debt/Equity Ratio		3					1	1
15	3. Creditworthiness		1					2	1
16	4. Cash Flow/Revenue Ratio		1					2	1
17	C. Market							1	1
18	1. Relative Market Share		2					1	1
19	2. Change in Market Share		2					1	1
20	3. Relative Elasticity of Demand		3					1	1
21									
22	II. Actual								
23	A. Business Structure							9	1
24	1. Business Mix		1					1	2
25	2. Business Age		3					1	1
26	3. Number of Divisions		1					9	9
27	4. Number of SIC Industries		1					9	9
28	B. Business Strategy							1	1
29	1. R&D Investment							9	9
30	2. Acquisition Strategy							9	9
31	3. Strategic Intent							9	9
32									
33									
34									

33 ↘

FIG. 5B

7/24

32

	A	B	C	D	E	F	G	H
1	General Arguments		Arguements for Prediction		Arguements for Actual		Arguements for Threshold	
2								
3								
4	Bottom	1	Decl.	1	Decl.	1	Fixed	2
5	Extra	4	High	3	High	3	N/A	9
6	Middle	2	Incr.	3	Incr.	3	Percentile	1
7	N/A	9	Low	1	Low	1		
8	Top	3	Medium	2	Medium	2		
9			Zero	2	Zero	2		
10								
11								
12	If any of these arguments change, each list has to be sorted alphabetically by name in ascending order.							
13								
14								
15								

FIG. 5C

8/24

SAMPLE FROM SETTINGS

Scoring	35	27	29	2. Adj	3. Trans.
			1. Reenerg	Score	Score
I. Prediction					
A. Key Business Parameters					
1. Mkt Share/Revenue Ratio	100.00	100.00	100.00	100.00	100.00
2. Asset Intensity (Asset/Rev Ratio)	25.00	25.00	25.00	25.00	25.00
3. Change in Profitability	100.00	100.00	100.00	100.00	100.00
B. Funding Strategy / Risk					
1. Company Beta	100.00	100.00	100.00	100.00	100.00
2. Debt/Equity Ratio	125.00	125.00	125.00	125.00	125.00
3. Creditworthiness	25.00	25.00	25.00	25.00	25.00
4. Cash Flow/Revenue Ratio	25.00	25.00	25.00	25.00	25.00
C. Market					
1. Relative Market Share	200.00	200.00	200.00	200.00	200.00
2. Change in Market Share	150.00	150.00	150.00	150.00	150.00
3. Relative Elasticity of Demand	0.00	0.00	0.00	0.00	0.00
II. Actual					
A. Business Structure					
1. Business Mix	0.00	75.00	75.00	75.00	75.00
2. Business Age	0.00	0.00	0.00	0.00	0.00
3. Number of Divisions	25.00	25.00	25.00	25.00	25.00
4. Number of SIC Industries	25.00	25.00	25.00	25.00	25.00
B. Business Strategy					
1. R&D Investment	0.00	0.00	0.00	0.00	0.00
2. Acquisition Strategy	112.50	75.00	75.00	75.00	75.00
3. Strategic Intent	75.00	150.00	150.00	150.00	150.00

FIG. 5D

9/24

SAMPLE FROM SETTINGS

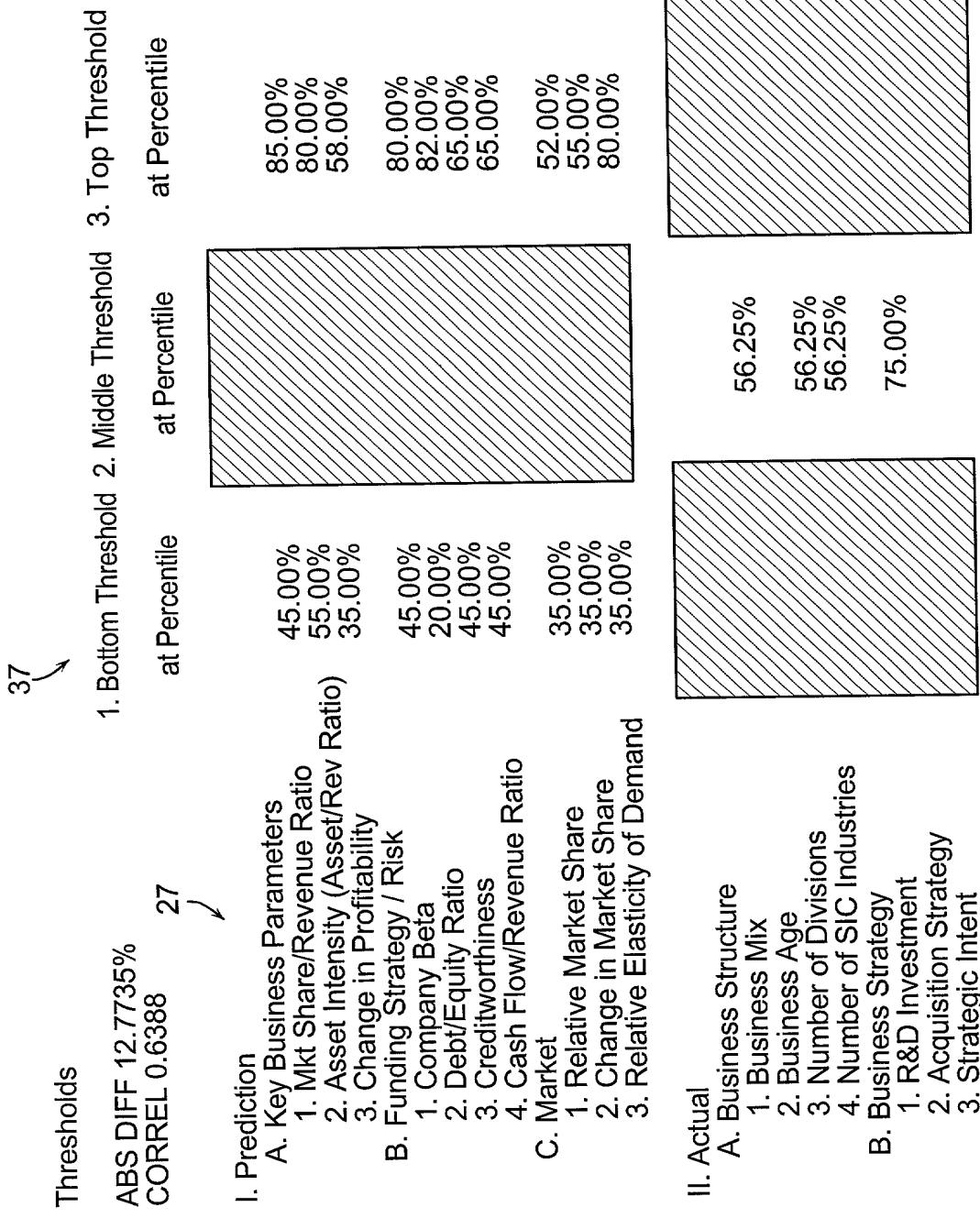
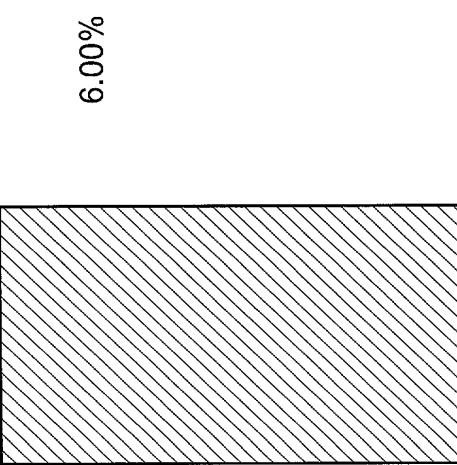


FIG. 5E

10/24

	A	B	C	D	E	F	G	H
1 Thresholds								
2	ABS DIFF	12.7735%						
3	CORREL	0.6388						
4								
5								
6								
7	1. Prediction							
8	A. Key Business Parameters							
9	1. Mkt Share/Revenue Ratio							
10	2. Asset Intensity (Asset/Rev Ratio)							
11	3. Change in Profitability							
12	B. Funding Strategy / Risk							
13	1. Company Beta							
14	2. Debt/Equity Ratio							
15	3. Creditworthiness							
16	4. Cash Flow/Revenue Ratio							
17	C. Market							
18	1. Relative Market Share							
19	2. Change in Market Share							
20	3. Relative Elasticity of Demand							
21	II. Actual							
22	A. Business Structure							
23	1. Business Mix							
24	2. Business Age							
25	3. Number of Divisions							
26	4. Number of SIC Industries							
27	B. Business Strategy							
28	1. R&D Investment							
29	2. Acquisition Strategy							
30	3. Strategic Intent							
31								
32								
33								
34								

39

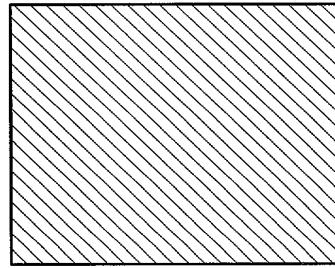


1. Bottom Threshold
2. Middle Threshold
3. Top Threshold

Fixed

Fixed

6.00%



7.00%

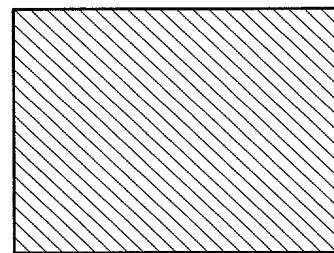


FIG. 5F

11/24

38 1 Factors & Strategies

	A	B	C	D	E	F	G	H	I	J	K
2											
3											
4											
5											
6											
7											

1. Reenerg. 2. Adj. 3. Trans.

I. Prediction

- A. Key Business Parameters
 1. Mkt Share/Revenue Ratio
 2. Asset Intensity (Asset/Rev Ratio)
 3. Change in Profitability
- B. Funding Strategy / Risk
 1. Company Beta
 2. Debt/Equity Ratio
 3. Creditworthiness
 4. Cash Flow/Revenue Ratio
- C. Market
 1. Relative Market Share
 2. Change in Market Share
 3. Relative Elasticity of Demand

II. Actual

- A. Business Structure
 1. Business Mix
 2. Business Age
 3. Number of Divisions
 4. Number of SIC Industries
- B. Business Strategy
 1. R&D Investment
 2. Acquisition Strategy
 3. Strategic Intent

38



FIG. 5G

12/24

SAMPLE WORKSHEET FROM "DATABASE" WORKBOOK

42	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	3	Com	Corporation													
2																
3	4	I.	Prediction													
4	5	27	DB 2													
5	6	A.	Key Business Parameters													
6	7		1. Mkt Share/Revenue Ratio													
7	8		2. Asset Intensity (Asset/Rev Ratio)													
8	9		3. Change in Profitability													
9	10	B.	Funding Strategy / Risk													
10	11		1. Company Beta													
11	12		2. Debt/Equity Ratio													
12	13		3. Creditworthiness													
13	14		4. Cash Flow/Revenue Ratio													
14	15	C.	Market													
15	16		1. Relative Market Share													
16	17		2. Change in Market Share													
17	18		3. Relative Elasticity of Demand													
18	19															
19	20		Growth Strategy													
20	21															
21	22															
22	23	II.	Actual													
23	24	27	DB 3													
24	25															
25	26	A.	Business Structure													
26	27		1. Business Mix													
27	28		2. Business Age													
28	29		3. Number of Divisions													
29	30		4. Number of SIC Industries													
30	31	B.	Business Strategy													
31	32		1. R&D Investment													
32	33		2. Acquisition Strategy													
33	34		3. Strategic Intent													
34	35															
35	36		Growth Strategy													
36	37															
37	38															

12/24

FIG. 6A

SAMPLE WORKSHEET FROM "DATABASE" WORKBOOK

42

13/24

FIG. 6B

SAMPLE FROM CALCULATIONS

51a	A	B	C	E	G	H	I	J	K	L
1	1. Mkt Share/Revenue Ratio	53								
2			Calc 1							
3	Factor/Company									
4	A. Key Business Parameters									
5	1. Mkt Share/Revenue Ratio									
6										
7			Calc 2							
8	Interval	55								
9										
10										
11	Strategy	29	Interval	Type		From =>	To <		Analysis:	
12										
13	1. Reenerg.	Low	Percentile						Sample Size	85.00
14	2. Adj.	Medium	Percentile							
15	3. Trans.	High	Percentile							
16										
17										
18										
19	100.00%									
20	-400.00%									
21	-900.00%									
22	-1400.00%									
23	-1900.00%									
24	-2400.00%									
25										
26										
27										
28										
29										
30										
31										
32										

14/24

FIG. 7A

Company

15/24

SAMPLE FROM CALCULATIONS

	A	B	C	D	E	F	G	H	I	J
1	All Factors									
2										
3										
4										
5										
6										
7										
8	I. Prediction									
9	A. Key Business Parameters									
10	1. Mkt Share/Revenue Ratio	-455.14%	Low	20.47%	Medium	21.96%	Medium			
11	2. Asset Intensity (Asset/Rev Ratio)	0.78	Low	0.07	Low	1.05	Low			
12	3. Change in Profitability	-0.97%	Decl.	-0.07%	Zero	0.84%	Incr.			
13	B. Funding Strategy / Risk									
14	1. Company Beta	N/A	Low	0.27	Medium	0.49	N/A			
15	2. Debt/Equity Ratio	0.01	High	0.03	Low	2.60	Medium			
16	3. Creditworthiness	1.50	High	0.00	Low	0.14	High			
17	4. Cash Flow/Revenue Ratio	0.20					Medium			
18	C. Market									
19	1. Relative Market Share	-0.34	Medium	0.28	Medium	2.23	High			
20	2. Change in Market Share	-29.54%	Decl	20.96%	Incr.	1.41%	Zero			
21	3. Relative Elasticity of Demand	3.00	Medium	2.67	Low	3.00	Medium			
22	II. Actual									
23	A. Business Structure									
24	1. Business Mix	102.45%	High	17.15%	Low	13.04%	Low			
25	2. Business Age	21.00	High	53.00	High	93.00	High			
26	3. Number of Divisions	4.00	High	3.00	Low	6.00	High			
27	4. Number of SIC Industries	2.00	Low	3.00	High	6.00	High			
28	B. Business Strategy									
29	1. R&D Investment	11.01%	High	0.00%	Low	0.78%	Low			

49

FIG. 7B

SAMPLE FROM RESULTS

71 ↘

Strategy Table

Company	Average	3 Com	Adams Resources & Energy, Inc.	Alcoa	Allied Waste Industries, Inc.	Amazon.com America Inc.	American Express Company	Ameritrade	Amsouth Bancorp.	Applied Digital Solutions
Sheet Number Analysis		1 yes	2 yes	3 yes	4 yes	5 yes	6 yes	7 yes	8 yes	9 no
I. Prediction										10 yes
1. Reenerg.	24.12%	40.00%	46.67%	20.00%	46.67%	23.33%	13.33%	46.67%	10.00%	6.67%
2. Adj.	48.16%	6.67%	50.00%	73.33%	33.33%	60.00%	63.33%	33.33%	36.67%	N/A
3. Trans.	28.73%	53.33%	3.33%	6.67%	20.00%	16.67%	23.33%	20.00%	53.33%	50.00%
II. Actual										43.33%
1. Reenerg.	28.42%	11.20%	69.59%	36.64%	50.89%	13.70%	28.08%	54.92%	21.54%	N/A
2. Adj.	46.12%	39.41%	30.41%	54.42%	49.11%	59.84%	64.42%	34.68%	28.41%	72.63%
3. Trans.	25.45%	49.38%	0.00%	8.94%	0.00%	26.45%	7.50%	10.40%	50.05%	16.88%
ABS DIFF	12.7735%	21.8318%	15.2797%	12.6095%	13.3333%	6.5230%	10.5556%	6.3980%	7.6962%	N/A
Correlation										17.6375%
1. Reenerg.	0.65299									
2. Adj.	0.57538									
3. Trans.	0.68798									
Average	0.63876									

FIG. 8

17/24

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Colgate-Palmolive Company														
2															
3	I. Prediction	27	DB 2		Value										
4															
5															
6	A. Key Business Parameters														
7	1. Mkt Share/Revenue Ratio														
8	2. Asset Intensity (Asset/Rev Ratio)														
9	3. Change in Profitability														
10	B. Funding Strategy / Risk														
11	1. Company Beta														
12	2. Debt/Equity Ratio														
13	3. Creditworthiness														
14	4. Cash Flow/Revenue Ratio														
15	C. Market														
16	1. Relative Market Share														
17	2. Change in Market Share														
18	3. Relative Elasticity of Demand														
19	Growth Strategy														
20															
21															
22															
23	II. Actual	27	DB 3		Value										
24															
25															
26	A. Business Structure														
27	1. Business Mix														
28	2. Business Age														
29	3. Number of Divisions														
30	4. Number of SIC Industries														
31	B. Business Strategy														
32	1. R&D Investment														
33	2. Acquisition Strategy														
34	3. Strategic Intent														
35	Growth Strategy														
36															
37															
38															

42a

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Colgate-Palmolive Company														
2															
3	I. Prediction	27	DB 2		Value										
4															
5															
6	A. Key Business Parameters														
7	1. Mkt Share/Revenue Ratio														
8	2. Asset Intensity (Asset/Rev Ratio)														
9	3. Change in Profitability														
10	B. Funding Strategy / Risk														
11	1. Company Beta														
12	2. Debt/Equity Ratio														
13	3. Creditworthiness														
14	4. Cash Flow/Revenue Ratio														
15	C. Market														
16	1. Relative Market Share														
17	2. Change in Market Share														
18	3. Relative Elasticity of Demand														
19	Growth Strategy														
20															
21															
22															
23	II. Actual	27	DB 3		Value										
24															
25															
26	A. Business Structure														
27	1. Business Mix														
28	2. Business Age														
29	3. Number of Divisions														
30	4. Number of SIC Industries														
31	B. Business Strategy														
32	1. R&D Investment														
33	2. Acquisition Strategy														
34	3. Strategic Intent														
35	Growth Strategy														
36															
37															
38															

FIG. 9A

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
39																
40																
41																
42																
43																
44																
45																
46																
47																
48																
49																
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72																
73																
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75																
76																

42a

45a

DB 1

18/24

FIG. 9B

51b	A	B	C	E	G	H	I	J	...	BM	BN
1	4. Cash Flow/Revenue Ratio	53									
2											
3											
4	Factor/Company	Calc 1	SPEEDUS.CO	Emisphere	Miravant	FALSE	...	Colgate- The Proctor & Gamble			
5			M. Inc.	Technologies	Medical						
6	B. Funding Strategy/Risk										
7	B. 4. Cash Flow/Revenue Ratio		-11.21	-1.28	-1.26	FALSE	...	0.14	0.15		
8		Calc 2									
9	Interval	55	Low	Low	Low	N/A	...	Medium	Medium		
10											
11	Strategy	Interval	Type	From =>	To <	Analysis:		Sample Size	85.00		
12											
13	1. Reenerg.	Low	Percentile	NEG INF	0.07	Mean	-0.10	Median	0.10		
14	2. Adj.	High	Percentile	63	0.15	Minimum	-11.21	Maximum	0.51		
15	3. Trans.	Medium	Percentile	0.07	0.15	SD	1.26	Variance	1.58		
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											

19/24

FIG. 9C

Company

Company

Company

All Factors

49a

3 Com Corporation Adams Resources & Energy, Inc.						Colgate-Palmolive Company						Compaq Computer Corporation					
	Analyze Value	Yes Interval	Analyze Value	Yes Interval	Analyze Value	Yes Interval	Analyze Value	Yes Interval	Analyze Value	Yes Interval	Analyze Value	Yes Interval	Analyze Value	Yes Interval	Analyze Value	Yes Interval	
I. Prediction																	
A. Key Business Parameters																	
1. Mkt Share/Revenue Ratio	-455.14%	Low	20.47%	Medium	-37.22%	Low	-69.67%	Low									
2. Asset Intensity (Asset/Rev Ratio)	0.78	Low	0.07	Low	0.81	Low	0.71	Low									
3. Change in Profitability	-0.97%	Decl.	-0.07%	Zero	1.01%	Incr.	-1.70%	Decl.									
B. Funding Strategy / Risk																	
1. Company Beta	N/A	Low	0.27	Medium	1.41	N/A	N/A	N/A									
2. Debt/Equity Ratio	0.01	High	0.03	Low	1.56	Medium	0.03	Medium									
3. Creditworthiness	1.50	High	0.00	Low	0.14	High	1.31	High									
4. Cash Flow/Revenue Ratio	0.20	High	0.00	Low	0.14	Medium	0.03	Medium									
C. Market																	
1. Relative Market Share	0.34	Medium	0.28	Medium	0.23	Medium	0.44	High									
2. Change in Market Share	-29.54%	Decl	20.96%	Incr.	-0.61	Zero	-16.44%	Decl.									
3. Relative Elasticity of Demand	3.00	Medium	2.67	Low	2.00	Low	3.00	Medium									
II. Actual																	
A. Business Structure																	
1. Business Mix	102.45%	High	17.15%	Low	5.64%	Low	12.45%	Low									
2. Business Age	21.00	High	53.00	High	194.00	High	18.00	High									
3. Number of Divisions	4.00	High	3.00	Low	2.00	Low	4.00	High									
4. Number of SIC Industries	2.00	Low	3.00	High	2.00	Low	2.00	Low									
B. Business Strategy																	
1. R&D Investment	11.01%	High	0.00%	Low	1.85%	Low	4.31%	Low									

FIG. 9D

71a

	A	B	C	AC
1	Strategy Table			
2				
3	Company	Average	Colgate-Palmolive Company	
4	Sheet Number			
5	Analyze	26		
6		yes		
7	I. Prediction			
8	1. Reenerg.	24.12%	60.00%	
9	2. Adj.	46.16%	33.33%	
10	3. Trans.	29.73%	6.67%	
11				
12	II. Actual			
13	1. Reenerg.	28.42%	58.89%	
14	2. Adj.	46.12%	31.58%	
15	3. Trans.	25.45%	9.53%	
16				
17	ABS DIFF	12.7735%	1.9111%	
18				
19	Correlation			
20	1. Reenerg.	0.65299		
21	2. Adj.	0.57538		
22	3. Trans.	0.68798		
23				
24	Average	0.63878		
25				

FIG. 9E

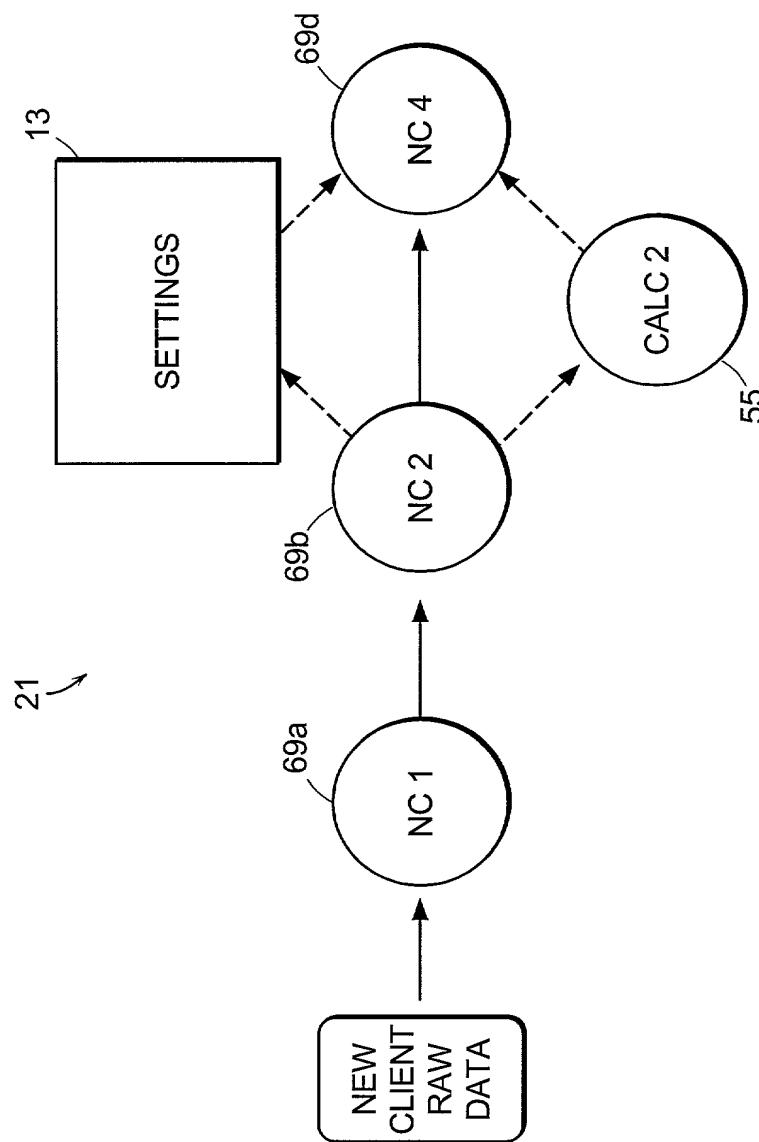


FIG. 10A

23/24

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
"Fill In New Client Name"															
1															
2															
3															
4	1. Prediction				27	NC 2	Value								
5															
6	A. Key Business Parameters														
7	1. Mkt Share/Revenue Ratio						#DIV/0!								
8	2. Asset Intensity (Asset/Rev Ratio)						N/A								
9	3. Change in Profitability						N/A								
10	B. Funding Strategy / Risk						N/A								
11	1. Company Beta						N/A								
12	2. Debt/Equity Ratio						N/A								
13	3. Creditworthiness						N/A								
14	4. Cash Flow/Revenue Ratio						N/A								
15	C. Market						N/A								
16	1. Relative Market Share						N/A								
17	2. Change in Market Share						N/A								
18	3. Relative Elasticity of Demand						N/A								
19															
20															
21															
22															
23							NC 3	Value							
24	II. Actual														
25															
26	A. Business Structure														
27	1. Business Mix						N/A								
28	2. Business Age						N/A								
29	3. Number of Divisions						N/A								
30	4. Number of SIC Industries						N/A								
31	B. Business Strategy						N/A								
32	1. R&D Investment														
33	2. Acquisition Strategy														
34	3. Strategic Intent														
35															
36	Growth Strategy														
37															
38															

42b

"Fill In Qualifying Criteria"

69b

1. Reenerg.

2. Adj.

3. Trans.

Interval

#DIV/0!

FIG. 10B

69c

24/24

42b

-FIG. 10C